

ARBITRATION CERTIFICATION PROGRAM

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2000 ANNUAL CONSUMER SATISFACTION SURVEY

OVERVIEW

Pursuant to Business and Professions Code §472.4 and Section Title 16, California Code of Regulations §3399.5(a)(5), the Arbitration Certification Program (ACP) conducts an annual survey. The purpose of the survey is to measure consumer satisfaction with the arbitration <u>process</u>. The survey is not intended, <u>nor does it include</u>, the satisfaction of the many of consumers who have had problems satisfied through early contact with dealers, manufacturers' customer service representatives, or other mediation efforts.

ACP also uses the survey as a monitoring mechanism to ensure that certified arbitration programs substantially comply with state and federal requirements. ACP discusses the survey findings with each certified arbitration program, requesting corrections to the process when necessary.

ACP surveys consumers who utilized state-certified arbitration programs to resolve warranty disputes <u>after</u> consumers receive notification of decisions. ACP mailed 2665 questionnaires achieving a 35% response rate.

Consumer responses to the survey were sorted according to state-certified arbitration program as follows:

BBB AUTO LINE (BBB)

AM General (Hummer), General Motors, Honda/Acura, Hyundai, Isuzu, Nissan/Infiniti, Porsche, Range Rover/Land Rover, Rolls Royce/Bentley, Saab, Saturn and Volkswagen/Audi

Customer Arbitration Board (CAB)
DaimlerChrysler Corporation

Dispute Settlement Board (DSB)

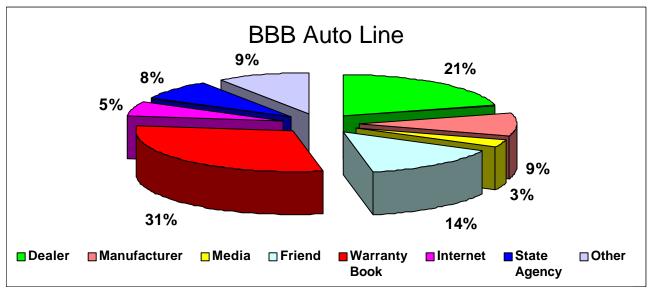
Ford Motor Company

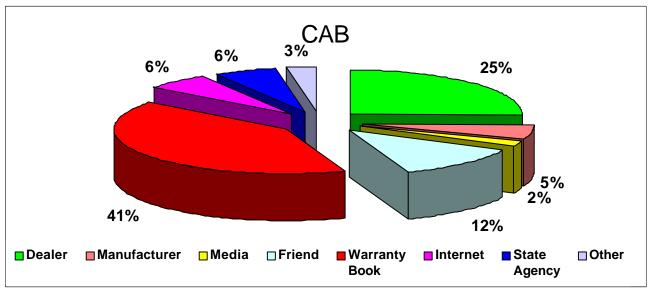
RESULTS

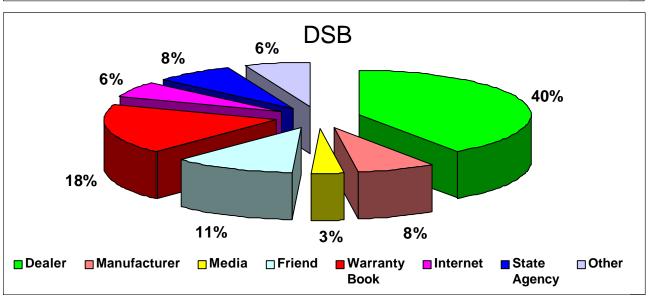
The results of ACP's 2000 Consumer Satisfaction Survey are listed on the following pages. Each survey question is listed along with consumer responses. The percentage of yes and no responses to each question is included to facilitate comparisons of the results.

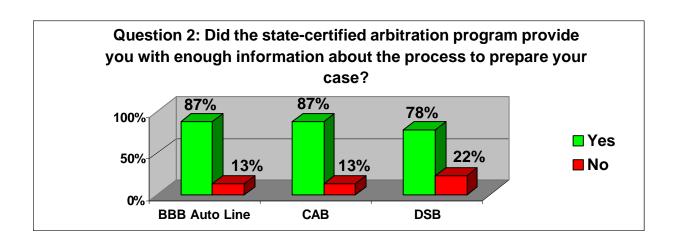
QUESTIONNAIRES COMPLETED AFTER CONSUMERS RECEIVED NOTIFICATION OF THEIR DECISIONS

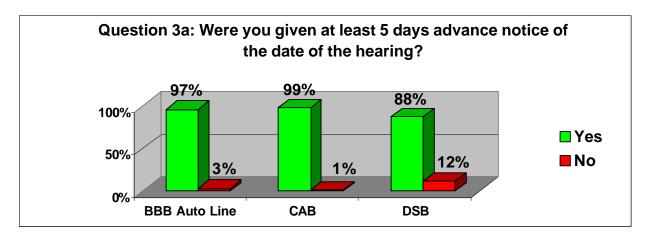
Question 1: How did you learn about the state-certified program?

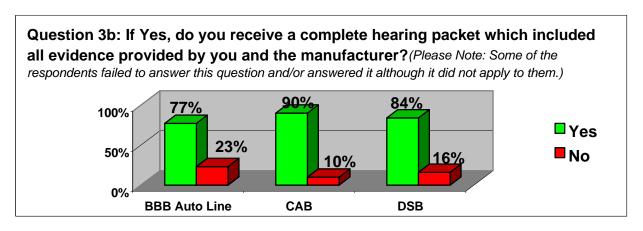


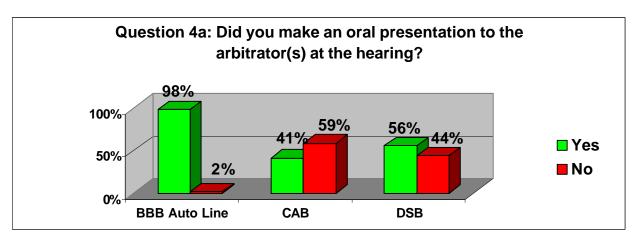




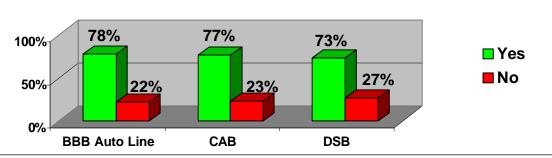


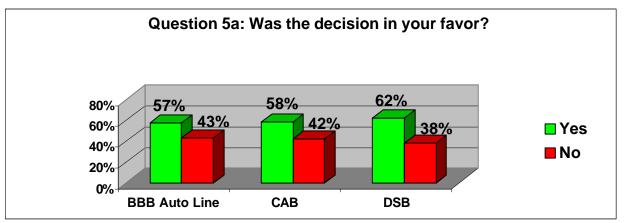


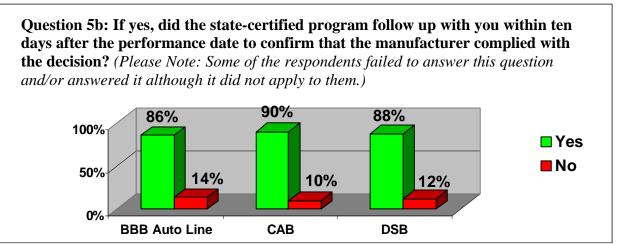


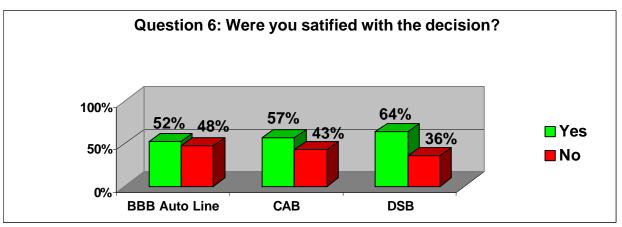


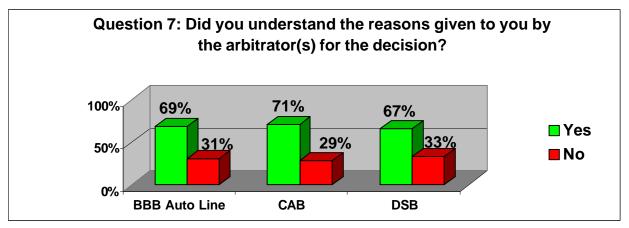
Question 4b: If yes, did the arbitrator(s) give you the impression that they listened to you during the hearing? (Please Note: Some of the respondents failed to answer this question and/or answered it although it did not apply to them.)

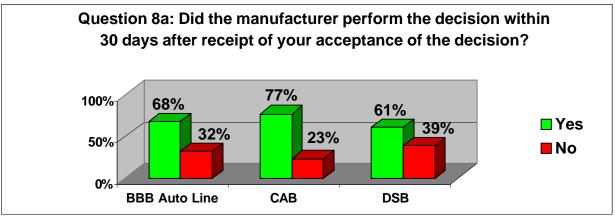


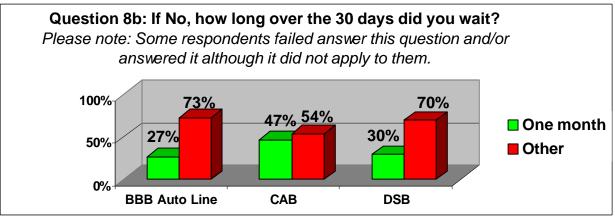


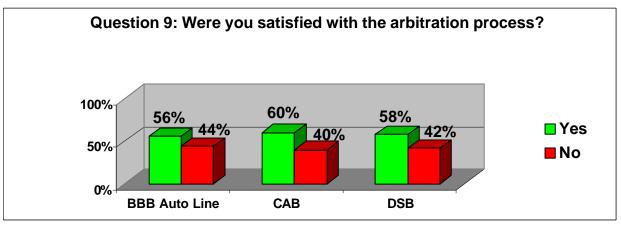


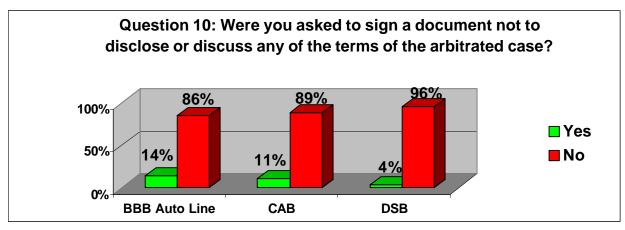


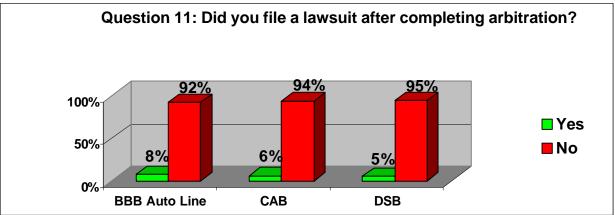












12. Please tell us how you think the arbitration process and/or the arbitration program (BBB, CAB or DSB) could be improved:

BBB: Of the 1,471 surveys sent to consumers who utilized the BBB Auto Line in 2000, a total of 507 (35%) consumers responded. About 72% of the respondents provided additional written comments in response to the question about how the process and/or the BBB Auto Line could be improved.

Consumers receiving a favorable decision stated the following:

- BBB staff was friendly and informative
- Arbitrators were well trained
- The arbitration process was fair and expeditious
- The arbitration program was excellent for consumer disputes

Conversely, consumers receiving unfavorable decisions stated that:

- The arbitrator should be knowledgeable about automotive repair
- The BBB should follow up and enforce the 30 day requirement on decisions
- More than one arbitrator should make the decision

Consumers suggested that the BBB have more convenient hearing sites, provide bilingual translators, and a more user friendly process. Other suggestions for improvement included having a dealer representative present (in person) during the hearing and on-line processing of documents. Consumers also requested information on what to expect at an arbitration hearing and wanted more time to mail documents to the program.

Consumers expressed dissatisfaction with the BBB staff and arbitrators and indicated they were unfriendly, difficult to reach by phone, and failed to respond to written correspondence. Consumers also stated the process was biased, benefiting only the manufacturer.

CAB:

Of the 493 surveys sent to consumers who utilized the CAB in 2000, a total of 162 (33%) responded. About 65% of the respondents provided additional written comments in response to the question about how the arbitration process could be improved.

Consumers receiving a favorable decision stated the process was perfect and fast. Most consumers were pleased with the arbitrator's friendliness and felt the entire process was fair.

Conversely, consumers receiving unfavorable decisions commented that:

- The CAB should offer more hearing locations throughout the state
- The arbitrators should provide a clearer reason for their decisions
- The process was a waste of time
- The arbitrators were biased towards the manufacturer

Consumers also suggested that the CAB arbitrators should have more technical training and have more automotive experience. Consistent with past ACP surveys, consumer satisfaction with the CAB program is significantly influenced by the outcome of the individual cases, not the process.

DSB:

Of the 701 surveys sent to consumers who utilized the DSB in 2000, a total of 265 (38%) responded. About 72% of the respondents provided written comments in response to the question about how the arbitration process could be improved.

Consumers receiving favorable decisions offered minimal suggestions for improvement and mainly commented that they were satisfied with the process. Some indicated the arbitrators were fair, congenial and professional.

Conversely, consumers receiving unfavorable decisions commented more freely and indicated:

- The DSB should be given authority to force the manufacturer to comply in a timely manner;
- The entire process favors the manufacturer: arbitrators, dealer members, and technical inspectors were all partial to the manufacturer;
- The arbitrators did not read the documentation fully, did not understand the customer's problems, were disinterested and unsympathetic at the hearing;
- The board should be diverse and include consumers who have personally gone through the process;
- The DSB did not provide enough information about the hearing to allow consumers to prepare: need more time for presentations, more convenient hearing locations and more flexibility in choosing hearing site.

Consumers also expressed dissatisfaction with the manufacturer, dealer, as well as the Dispute Resolution Specialist and indicated they submitted false information to the board, were unfriendly, difficult to reach and did not return telephone calls.